

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  IOWA TELECOMMUNICATIONS SERVICES, INC., d/b/a IOWA TELECOM	DOCKET NO. RPU-02-4
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**ORDER GRANTING MOTION FOR STAY**

(Issued July 25, 2003)

On December 26, 2002, the Utilities Board (Board) issued its "Final Decision And Order" (the Final Decision) in this docket, and on June 13, 2003, the Board issued its "Order Accepting Late-Filed Evidence and Modifying Final Decision and Order" (the Order On Rehearing). On July 11, 2003, Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom (Iowa Telecom), filed in Polk County District Court a petition for judicial review of the Final Decision and the Order On Rehearing. On the same date, Iowa Telecom filed with the Board a "Motion For Stay Pending Appeal," seeking a stay of Ordering Clauses 2 and 4 of the Final Decision, as modified by the Order On Rehearing.

In Ordering Clauses 2 and 4 of the Final Decision (as modified by the Order On Rehearing), the Board directed Iowa Telecom as follows:

2. Within 60 days of the date of this order, Iowa Telecom shall file proposed tariff sheets for a revenue-neutral rate consolidation of all rates that currently differ among the rate zones (other than Extended Area Service rates or similar exchange-based rates), with all supporting

workpapers. The tariffs should reflect a 3 percent revenue increase for consolidated rates and a 1.06 percent price adjustment for all BCS prices. The calculations should first be performed without the 3 percent revenue increase for the consolidated rates or the 1.06 percent increase for BCS prices, which should then be added as successive calculations.

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4. Within 45 days of the date of this order, Iowa Telecom shall file a proposed refund plan complying with the requirements of Iowa Code § 476.97(11)"h" and the Board's decision herein.

Iowa Telecom seeks a stay of these requirements pending completion of the judicial review proceedings in district court. A stay will allow Iowa Telecom to continue to collect its temporary rates (which are generally higher than the final rates approved by the Board) for the duration of the judicial review proceedings. In support of its request, Iowa Telecom cites Iowa Code § 476.13(3), which provides that if a public utility seeks judicial review of a Board order approving rates for the utility, the level of rates that may be collected while the appeal is pending shall be the greater of the temporary rates or the final rates set by the Board. The rates are to be collected under bond and subject to refund.

The Board will grant the requested stay. If the requirements are not stayed, Iowa Telecom would have to file proposed tariff sheets and a refund plan while this matter is subject to judicial review. No purpose would be served by requiring those filings at this time.

Temporary rates in this matter were established pursuant to Iowa Code § 476.97(11), which allows collection of temporary rates pursuant to bond. Iowa Telecom's initial bond was sufficient to cover the company's refund obligation during the time the matter has been pending before the Board, but an additional bond will be required to supplement the original bond to cover the refund obligation through the anticipated period of review in the district court. Iowa Telecom did not file the supplemental bond with its motion, presumably not wanting to incur that expense until it knew the stay would be approved and the bond would be required. Accordingly, Iowa Telecom states that upon approval of its request for stay, it will submit a supplement to the bond previously filed and approved in this docket. The Board approves of this approach and grants Iowa Telecom's motion for stay subject to filing of a supplemental bond within a reasonable time after issuance of this order.

**IT IS THEREFORE ORDERED:**

1. The motion for a stay filed by Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, on July 11, 2003, is granted. Ordering Clauses 2 and 4 from the Board's "Final Decision And Order" issued in this docket on December 26, 2002, as modified by the "Order Accepting Late-Filed Evidence and Modifying Final Decision and Order" issued June 13, 2003, are stayed pending completion of judicial review proceedings in Polk County District Court or until further order of the Board.

2. Iowa Telecom shall file a supplement to its bond previously filed and approved in this docket, as described in its motion for stay, within a reasonable time after issuance of this order.

**UTILITIES BOARD**

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/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 25<sup>th</sup> day of July, 2003.